



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

May 11, 1982

Mr. Brian Buck
Environmental Coordinator
Getty Oil Company
P.O. Box 7900
Salt Lake City, Utah 84107

RE: Mercur Project
ACT/045/013-017
Tooele County, Utah

Dear Mr. Buck:

I have briefly reviewed your letter of April 22, 1982. Certain areas of concern now have individuals reviewing your responses as they may apply to their discipline. Additional requests or developments are being forwarded for your immediate attention with this letter. They are as follows:

Item #1 referred to diversion channels in general, not specifically those associated with the tailings pond. Please refer to the map of diversion channels originally submitted with the mine plan and compare it with current designs on the entire property. If changes are noted, please forward any updated alterations from the original on a new map.

Item #2 will be reviewed.

Item #3 has been noted.

Item #4 and #5 are being assessed.

In reference to Item #6, no specific E.P. Toxicity Data were received.

Item #7 and #8 have also been noted.

Item #9--essentially, if you were to utilize the estimated surety amount which you have provided in your letter of March 22, 1982, and add to it a seven year figure for inflation escalation during the life of the mine and the additional three year figure for inflation escalation during the revegetation monitoring period, the sum total will be \$3,133,596 using the originally agreed upon 13% rate.

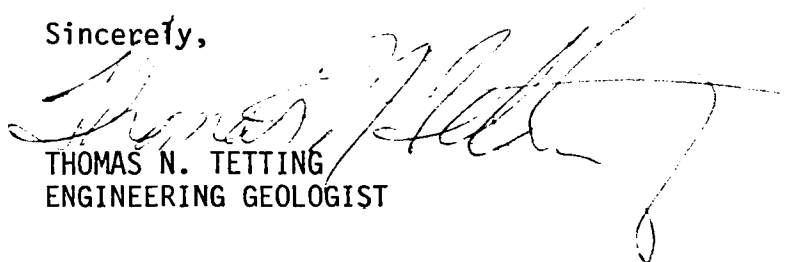
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It may be worthwhile to note at this time that when recently presented with Getty's intention to increase the amount of "personal guarantee" coverage into the neighborhood of three million dollars a unanimous decision was reached. It was to review the entire process of accepting "personal guarantees", i.e., the self-bonding approach and discuss the whole basis for determining financial responsibility at the next Executive Session. There were some sentiments expressed to do away with the idea completely.

At this time it is unrealistic to pursue an individual company's request for consideration in this matter. I will keep you informed.

Please call if I may be of any further service.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Thomas N. Tetting', is written over the typed name and title. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

THOMAS N. TETTING
ENGINEERING GEOLOGIST

TNT/tr